AUTORITATEA DE SUPRAVEGHERE FINANCIARĂ

MONTHLY MARKET **REPORT**

ASF No. 7 - 07/25/2026
The report is realized with a reference date of June 30, 2026

Summary

- The annual inflation rate in June 2026 compared to June 2025 was 10.42%. The main components were: food goods (5.75%), non-food goods (12.29%) and services (13.67%).
- Total traded value on Bucharest Stock Exchange main segment in June 2026 was EUR 366 mn, with a monthly decrease of 11%.
- Most BVB indices showed positive developments over the last month, ranging between 3.91% and 10.18%, with the exception of the BET-FI index, which decreased by 1.29%
- The market capitalization showed a 81% increase at the end of June 2026 compared to the end of 2024 and a 24% increase related to December 2025, reaching the level of 128 bn. EUR.
- In June 2026, the top 3 companies traded on the main segment of the BVB were: Banca Transilvania (TLV, 27%), Hidroelectrica (H2O, 9%) and Petrom SA (SNP, 9%).
- The National Bank held the policy rate at 6.50% at its 8 July meeting, the third consecutive hold, and publicly noted a “new plateau” for the leu/euro rate. International reserves stood at 75.259 billion euro on 30 June, supported by an NRRP tranche of 2.25 billion.
- According to data published by AAF, net assets of open-end investment funds (OeIF) stood at EUR 7.3 billion in May 2026 (EUR 7.1 billion in April).
- At the end of the first quarter of 2026, the value of technical reserves under the Solvency II regime stood at 5.45 billion EUR, up 22% compared to the same period of the previous year. The positive dynamics was supported by both the increase in the value of technical reserves for non-life insurance activity (+24%), and the increase in the value of reserves established for life insurance (+19%). Of the total value of technical reserves, 61% are established for non-life insurance activity, and 39% for life insurance activity.
- The value of the total assets of the privately managed pension funds (Pillar II) reached EUR 45.3 billion at the end of June 2026, with an annual increase of 35%, compared to June 2025. The value of gross contributions in June 2026 was EUR 392 millons, while the average contribution was EUR 85.

Macroeconomic Outlook

CE Spring forecast

Main context: The conflict in the Middle East has triggered a major energy shock, comparable to the one in 2022 following Russia's invasion of Ukraine. The virtual closure of the Strait of Hormuz has reduced oil and LNG flows by 15–20%, and between February and April 2026 gas prices rose by 50% and oil prices by 65%.

Slowdown in economic growth: EU GDP is forecast to fall from 1.5% in 2025 to **1.1% in 2026**, with a slight recovery to 1.4% in 2027. The euro area is even more affected (0.9% in 2026). For **Romania**, growth is expected to be low in 2026, at **0.1%**.

Rising inflation: EU inflation is estimated at **3.1% in 2026** (up from 2.5% in 2025), expected to ease to 2.4% in 2027. Energy inflation could exceed 11% in Q2 2026.

Stable but fragile labour market: The unemployment rate remains around **6%**, but employment growth is slowing (0.3% in 2026). Nominal wages remain relatively sustained (3.5% in 2027), but real purchasing power is eroded by inflation.

Public finances under pressure: The EU general government deficit rises from 3.1% of GDP in 2025 to **3.6% in 2027**, and public debt reaches 85.3% of GDP, driven by higher defence spending and energy support measures.

Key risks: A prolonged Middle East conflict, global trade policy uncertainty (US tariffs), climate-related risks, and potential financial turbulence linked to AI equity valuation corrections. Compared to the 2022 crisis, the current shock is considered less severe, as the EU has reduced its dependence on fossil fuels and global energy markets allow for more flexible reallocation of supply.

Evolution of GDP (%) and GDP forecast (%)

Region/ Country	EC			IMF			
	2024f	2025f	2026f	2024*	2025f*	2026f*	2030f
Eurozone	1.4	0.9	1.2	1.4	1.1	1.2	1.1
Germany	0.2	0.6	0.9	0.2	0.8	1.2	0.7
Bulgaria	3.1	2.5	2.2	3.1	2.8	2.5	2.6
Hungary	0.5	1.8	2.1	0.4	1.7	2.3	2.5
Poland	3.6	3.5	2.8	3.6	3.3	2.4	2.5
Romania	0.7	0.1	2.3	0.7	0.7	2.5	3.1
US				2.1	2.3	2.1	1.8

Source: EC - Spring 2026 Economic Forecast, IMF World Economic Outlook - April 2026

Macroeconomic Outlook

CE Spring Forecast: România

After real GDP growth of 0.7% in 2025, the Romanian economy is set to broadly stagnate in 2026, before rebounding at 2.3% in 2027. Fiscal consolidation efforts and persistently high inflation driven by rising energy prices are set to significantly reduce domestic consumption. Meanwhile, EU-funded investments and net exports are contributing positively to growth. The rebound in 2027 is backed by expectations of lower inflation and more favourable financing conditions. Unemployment will moderately pick up in 2026 before receding in 2027. The current account deficit is set to decline to 6.4% of GDP over the forecast horizon. After reaching 7.9% of GDP in 2025, the general government deficit is projected to narrow to 6.2% of GDP in 2026 and 5.8% of GDP in 2027, while the debt-to-GDP ratio is set to increase to 63.3% by 2027.

Autumn Forecasts of the National Commission for Strategy and Prognosis

Real gross domestic product is estimated to grow by 1% in 2026 and by 2.2% in 2027.

National Institute of Statistics: Recent Developments

Gross domestic product decreased in Q1 2026 by 0.2% compared to the previous quarter. Compared to the same quarter of 2025, gross domestic product fell by 1.5%.

The annual inflation rate in June 2026 compared to June 2025 was 10.42%. The main components were: food goods (5.75%), non-food goods (12.29%) and services (13.67%).

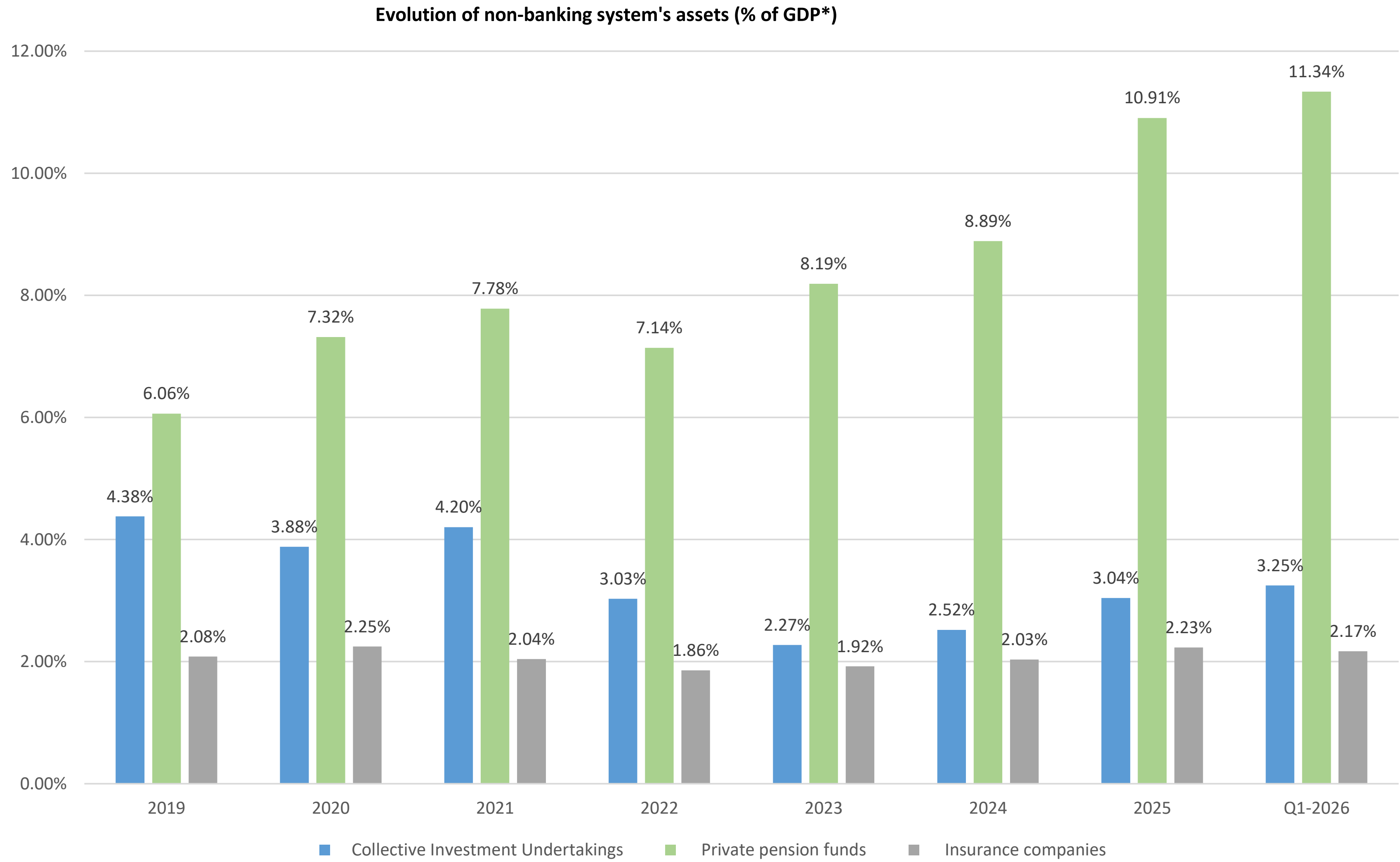
Monetary policy

Monetary policy interest rates

România	Eurozone	US	UK
6.50%	2.25%	3.75%	3.75%
-	↗	-	-

Following the monetary policy meeting on July 8 2026, the **National Bank of Romania decided**: to maintain the monetary policy interest rate at 6.50% per annum; to maintain the interest rate for the lending facility (Lombard) at 7.50% per annum and the interest rate on the deposit facility at 5.50% per annum and to maintain the current levels of the minimum reserve requirements for liabilities in lei and foreign currency of credit institutions.

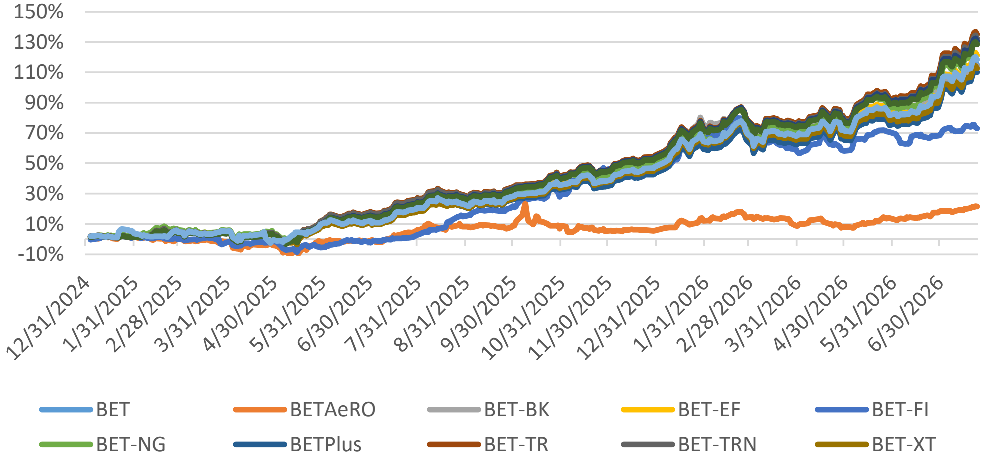
Dimension of non-bank financial sector



Source: ASF, NIS (*GDP gross series, sum of the last 4 quarters Q2 2025 + Q3 2025 + Q4 2025 + Q1 2026

Current trends in Romanian capital markets

Stock market index evolution on medium term (2024 = 100)



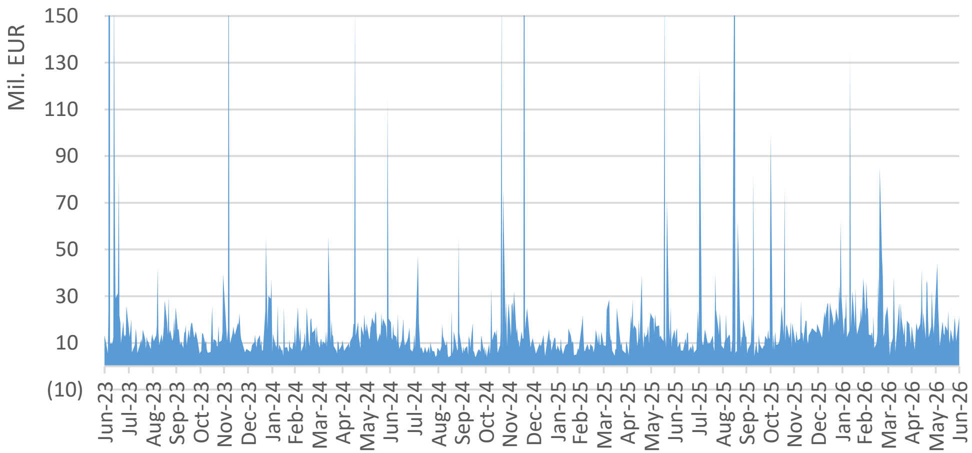
Romanian stock indices evolution in 2026 (30.12.2025 = 100)

Date: 7/24/2026

BET	**BET-FI**	**BET-NG**	**BET-XT**
47.0%	**18.4%**	**53.5%**	**45.7%**
BET-BK	**BETPlus**	**BET-TR**	**BET-XT-TR**
39.1%	**46.3%**	**51.3%**	**49.7%**
BET-TRN	**BET-XT-TRN**	**BETAeRO**	**ROTX**
50.6%	**49.0%**	**15.1%**	**47.7%**

Source: BSE data, ASF calculations (% change vs. 12/30/2025)

Equities traded value on BSE mai segment (EUR)

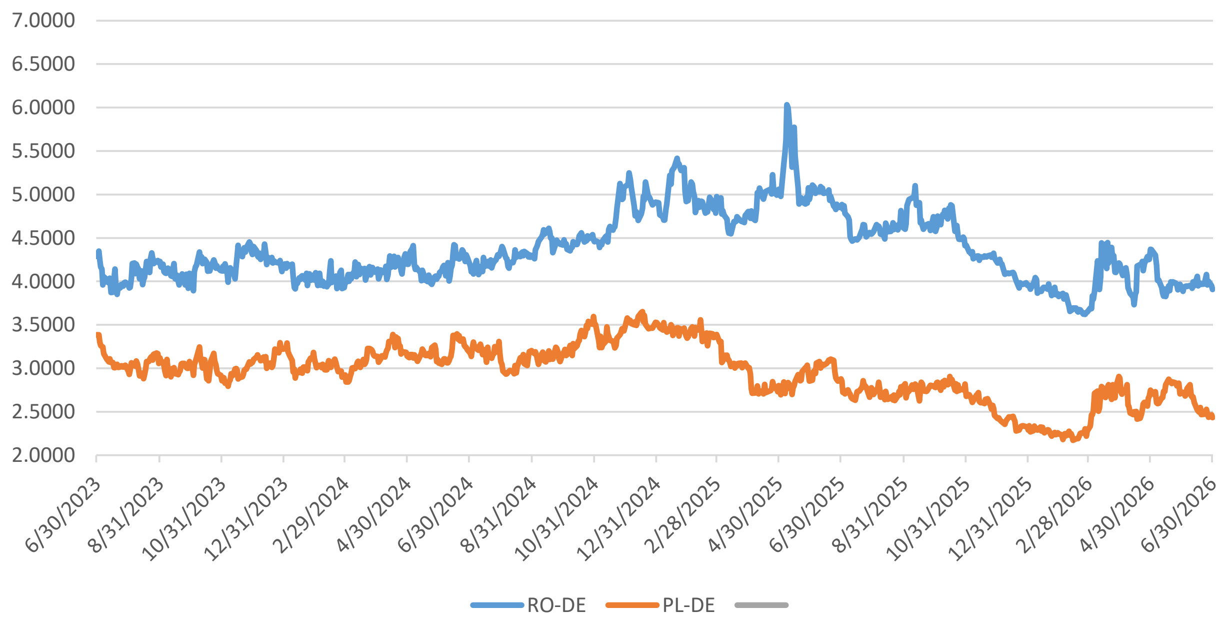


Source: BVB; ASF calculations

Total traded value on Bucharest Stock Exchange main segment in June 2026 was EUR 366 mn, with a monthly decrease of 11%.

Macroeconomic risk in Romania: external position and market perception of sovereign risk

Government bond yields spread of Romania (10Y. LC)



The spread between Romania's 10-year euro-denominated sovereign bonds and the similar ones of Germany decreased in June 2026 (3.91 pp).

Source: Investing.com, ASF calculations

Market risk: evolution of local and international stock indices

International and local stock indices yields (refference date) **30-Jun-26**

	29-May-26	31-Mar-26	31-Dec-25	30-Jun-25
International indices	**1 M**	**3 M**	**6 M**	**12 M**
EA (EUROSTOXX 50)	4.59%	13.62%	9.18%	19.32%
FR (CAC 40)	2.70%	7.51%	3.12%	9.63%
DE (DAX)	-0.43%	10.21%	2.06%	4.54%
IT (FTSE MIB)	3.29%	16.64%	14.99%	29.88%
GR (ASE)	3.67%	19.11%	15.99%	31.68%
IE (ISEQ)	4.71%	14.70%	5.57%	21.07%
ES (IBEX)	6.04%	14.21%	12.50%	39.17%
UK (FTSE 100)	0.84%	3.15%	5.70%	19.82%
US (DJIA)	2.52%	12.90%	8.85%	18.65%
IN (NIFTY 50)	1.35%	6.87%	-8.66%	-6.47%
SHG (SSEA)	0.64%	5.22%	3.18%	18.93%
JPN (N225)	5.63%	37.21%	39.18%	73.05%

BSE Indices	**1 M**	**3 M**	**6 M**	**12 M**
BET	8.68%	16.90%	32.93%	73.40%
BET-FI	-1.29%	7.00%	15.21%	71.64%
BET-NG	8.72%	18.52%	35.69%	80.59%
BET-XT	8.04%	16.41%	32.05%	74.53%
BET-BK	7.99%	16.22%	29.39%	77.19%
BETPlus	8.33%	16.61%	32.12%	70.57%
BET-TR	10.18%	19.95%	36.40%	80.34%
BET-XT-TR	9.43%	19.25%	35.27%	80.93%
BET-TRN	9.94%	19.45%	35.82%	79.33%
BET-XT-TRN	9.21%	18.78%	34.74%	79.99%
BETAeRO	3.91%	8.93%	12.10%	20.25%
ROTX	8.81%	17.48%	33.69%	76.78%

Source: Yahoo Finance, BSE, ASF calculations

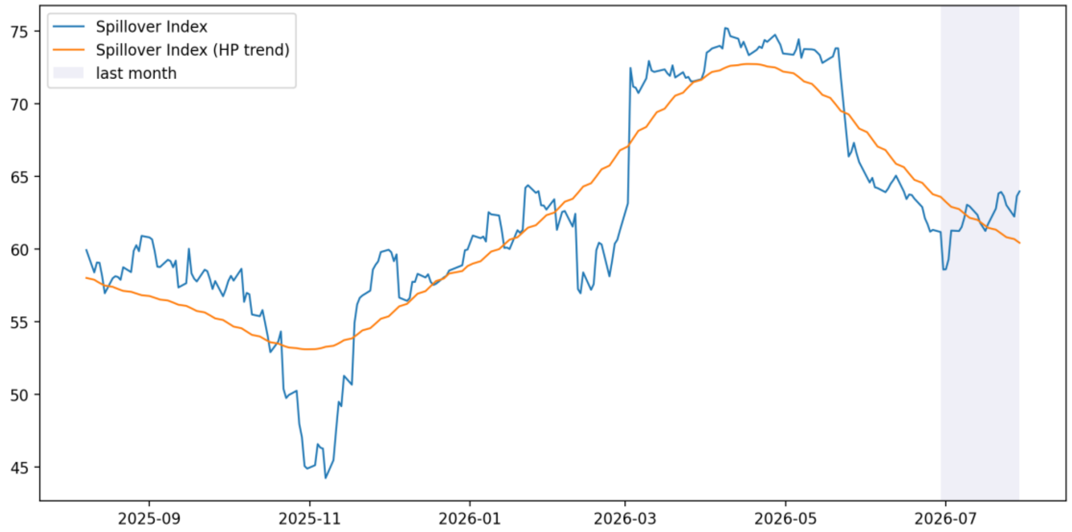
Most of the European indices analyzed registered increases over the last month. The highest were observed for IBEX (ES, 6.04%) and ISEQ (IE, 4.71%), while the DAX index decreased slightly (DE, -0.43%).

The SSEA (SHG) and NIFTY 50 (IN) indices rose by 0.64% and 1.35% respectively, while the N225 (JPN) and DJIA (US) indices rose by 5.63% and 2.52% respectively.

Most BVB indices showed positive developments over the last month, ranging between 3.91% and 10.18%, with the exception of the BET-FI index, which decreased by 1.29%

Market Risk: Spillover across European equity markets

The Total Connectedness Index (TCI), 60-day rolling window, with the Hodrick–Prescott trend. Last 250 observations



The Total Connectedness Index (TCI) stands at 64.0% on 29 July 2026, marginally up on the previous month (+2.8 pp) and slightly above the sample mean of 63.4%. The level corresponds to percentile 56.32 of the historical distribution and does not indicate a contagion episode. In July, connectedness stabilised and recovered moderately.

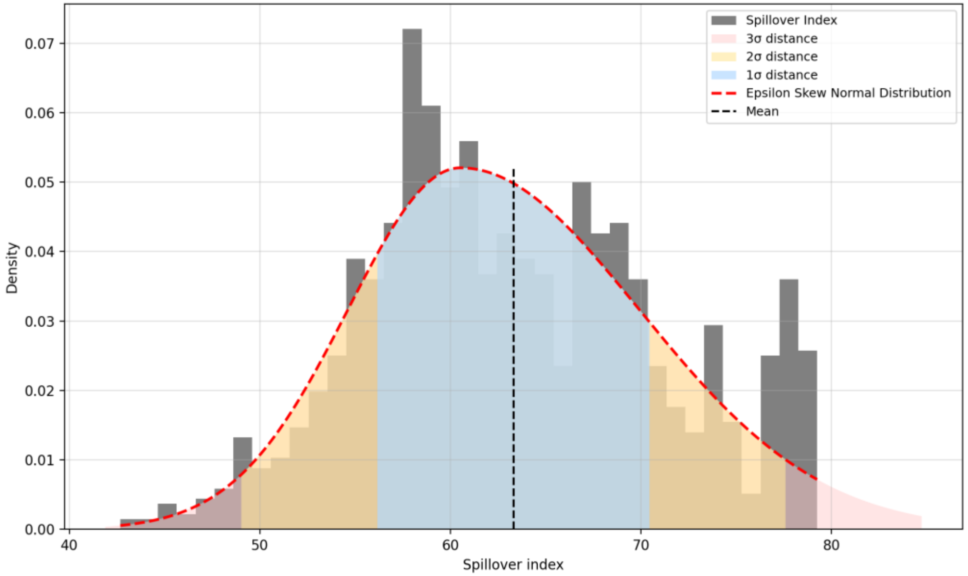
The directional structure has become fully polarised along the core–periphery axis: all four core indices are net transmitters of shocks — IBEX35 at +16.2 pp, DAX at +14.7 pp, ATX at +13.6 pp and CAC40 at +8.3 pp — while all three Central European indices are net receivers: BET at -25.5 pp, WIG20 at -14.1 pp and BUX at -13.2 pp.

BET has become the panel's dominant net receiver. The index absorbs 36.3% of its own forecast-error variance from the other six markets and transmits 10.7%, and four of the five strongest bilateral linkages in the network have BET as their destination. The July advance of the Bucharest market therefore unfolded in close co-movement with the major European markets, not in isolation from them; the index's exposure to core shocks is material and rising.

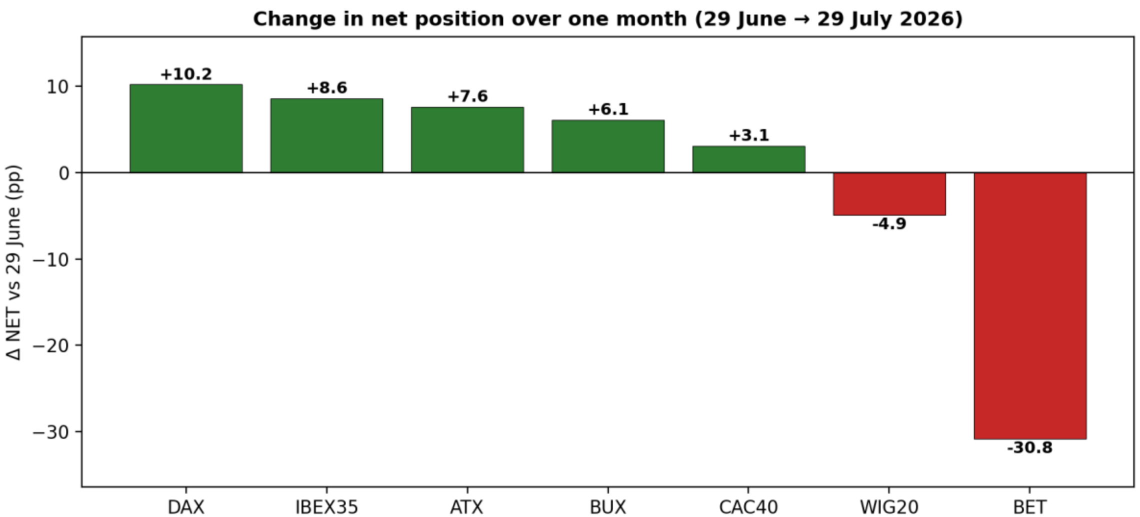
Source: Yahoo Finance, ASF calculations

Market Risk: Spillover across European equity markets

Empirical distribution of the TCI, with the fitted Epsilon Skew Normal density and the 1, 2 and 3 standard-deviation bands.



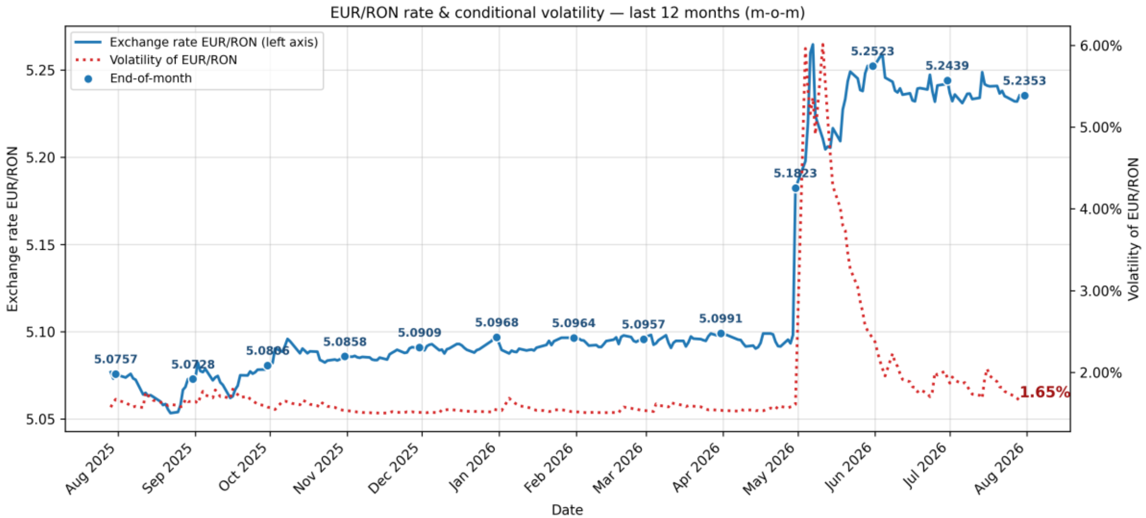
Change in net positions between 29 June and 29 July 2026



The 10.1 pp contraction in connectedness between April and July would reflect the normalization of the European risk-aversion regime after the implied-volatility peak of 27 March and the de-escalation of the Middle East conflict, with anchors verified on 8 April and 16–18 June. The mechanism: the dissipation of a global common factor reduces the share of cross-market explained variance, and the index declines. The competing factor is the mechanical window effect — the crisis sessions of March and April progressively left the rolling sample — and, on the available data, the two explanations remain nearly observationally equivalent. The July recovery receives no attribution, in the absence of factual verification for that month.

Market Risk: EURRON exchange rate volatility

EURRON exchange rate and annualised conditional volatility, last 12 months



Source: BNR ASF calculations

The leu appreciated marginally in July, by 0.16%, to 5.2353 lei per euro from 5.2439 at the previous month's close. The intra-month range was 0.34%, between 5.2310 on 6 July and 5.2487 on 14 July. No session exceeded the reporting threshold.

Conditional volatility continued to compress, from 1.87% to 1.65% annualised, below the mean of the June 2025 – April 2026 plateau (July 2026 values: 1.868% on 2026-07-01, minimum 1.652% on 2026-07-29, maximum 2.043% on 2026-07-16, 1.652% on 2026-07-29). The repricing of the exchange rate at a higher level has consolidated: a higher level, with calm-regime amplitude.

The National Bank held the policy rate at 6.50% at its 8 July meeting, the third consecutive hold, and publicly noted a “new plateau” for the leu/euro rate. International reserves stood at 75.259 billion euro on 30 June, supported by an NRRP tranche of 2.25 billion. The political deadlock persisted throughout the month, with no government invested; the return of early elections to public debate, on 14 July, left no trace in the quote.

The level adjustment belongs to the spring. The leu depreciated by 3.25% between 31 March and the peak of 5.2646 on 7 May, against the fall of the government through a no-confidence motion on 5 May; cumulatively, the depreciation since 31 March is 2.67%. The level has not been recovered and has not been retested since June.

Liquidity indicators on Romanian Stock Exchange

The market capitalization showed a 81% increase at the end of June 2026 compared to the end of 2024 and a 24% increase related to December 2025, reaching the level of 128 bn. EUR.

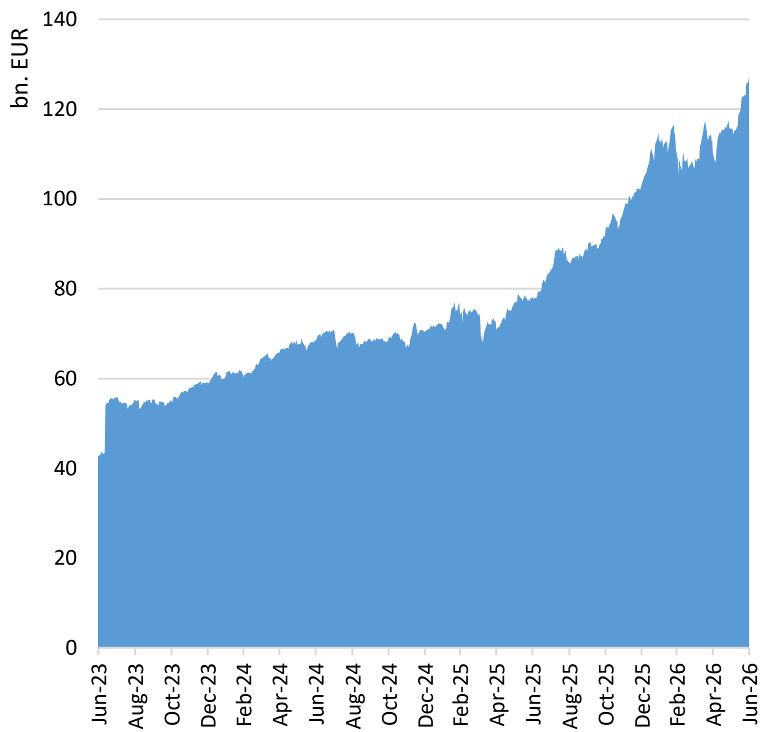
In June 2026, the top 3 companies traded on the main segment of the BVB were: Banca Transilvania (TLV, 27%), Hidroelectrica (H2O, 9%) and Petrom SA (SNP, 9%).

The BSE's Main Segment Most Traded Companies Jun-26

Symbol	Value (EUR)				% of Total
	Main Market	Deal	Public Offers	Total	
TLV	100,021,995	-	-	100,021,995	26.5%
H2O	35,251,380	-	-	35,251,380	9.4%
SNP	32,857,523	-	-	32,857,523	8.7%
TRIP	1,319,902	-	29,256,249	30,576,151	8.1%
PE	15,272,059	10,301,229	-	25,573,288	6.8%
SNG	22,685,775	-	-	22,685,775	6.0%
SNN	19,026,499	-	-	19,026,499	5.0%
M	5,971,503	12,187,987	-	18,159,490	4.8%
DIGI	16,010,458	-	-	16,010,458	4.2%
BRD	11,611,817	-	-	11,611,817	3.1%
TGN	10,767,401	-	-	10,767,401	2.9%
EL	9,537,215	-	-	9,537,215	2.5%
TEL	8,265,368	-	-	8,265,368	2.2%
FP	3,438,869	2,121,307	-	5,560,176	1.5%
ONE	3,992,868	-	-	3,992,868	1.1%
Top 15 Total	**296,030,632**	**24,610,523**	**29,256,249**	**349,897,404**	**92.9%**

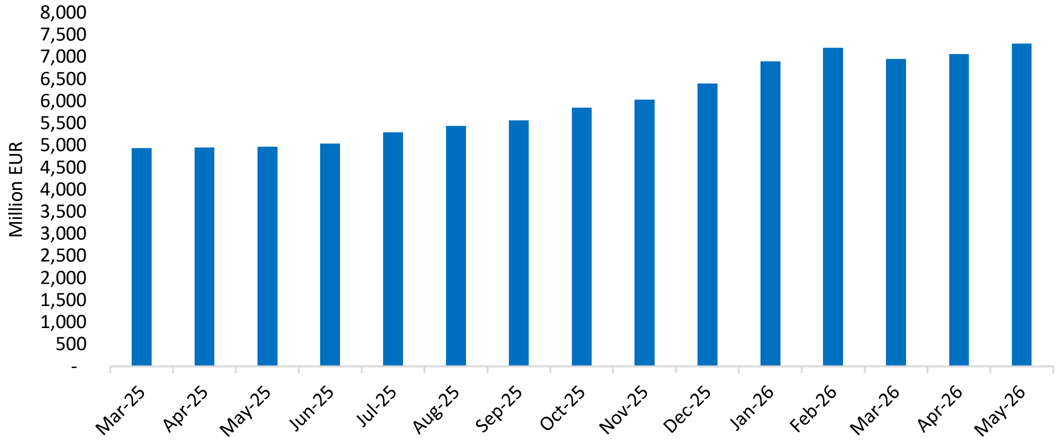
Source: BVB, ASF

Market capitalization



Specific developments in the investment funds sector

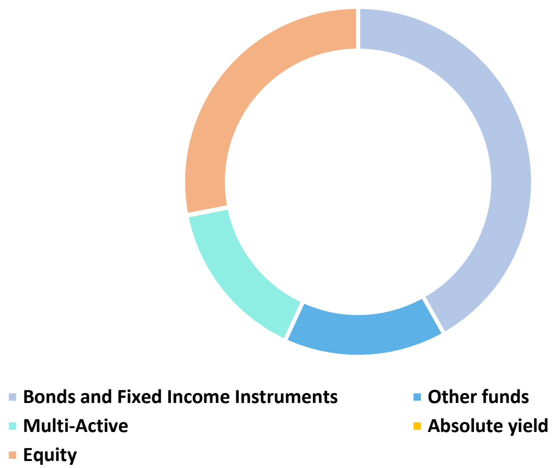
Evolution of net assets of open-end investment funds



According to data published by AAF, net assets of open-end investment funds (OeIF) stood at EUR 7.3 billion in May 2026 (EUR 7.1 billion in April).

In May 2026, open-end bond and fixed income instruments funds hold the largest share in total net assets of OeIF (around 42%), while equity funds have a market share of approximately 28%.

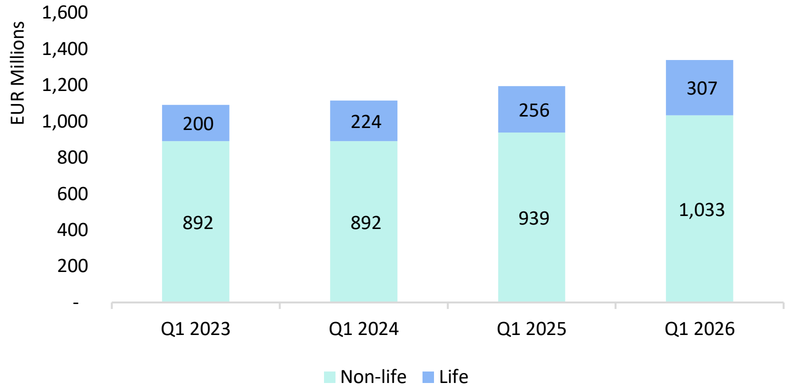
Open-end investment funds' market share by Fund Type and Net Asset (March 2026)



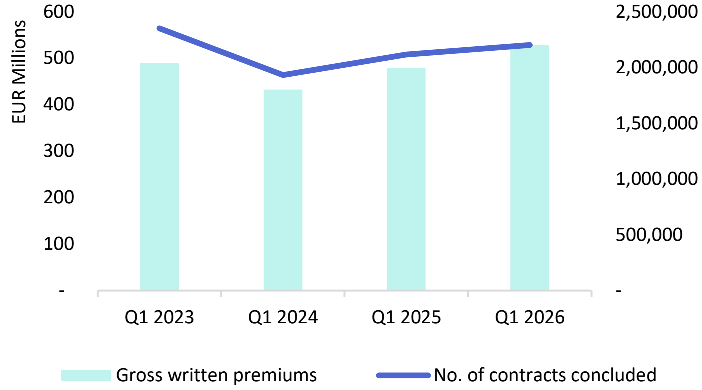
Source: AAF

Specific developments in the insurance market in Romania

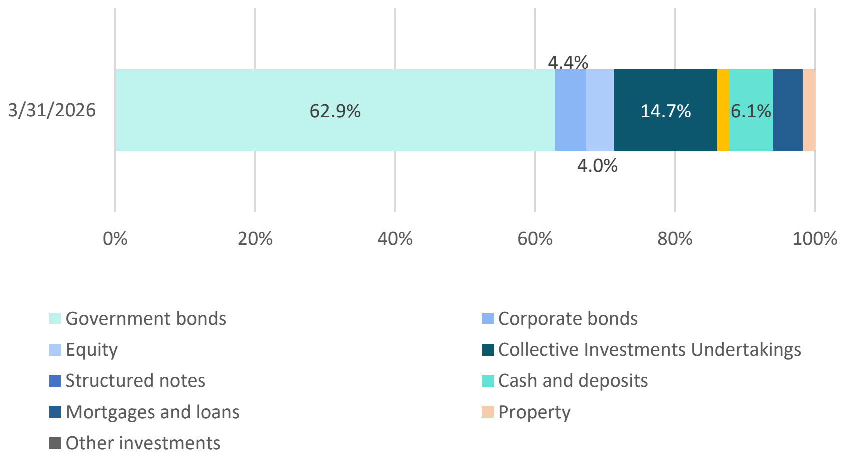
Gross written premiums*



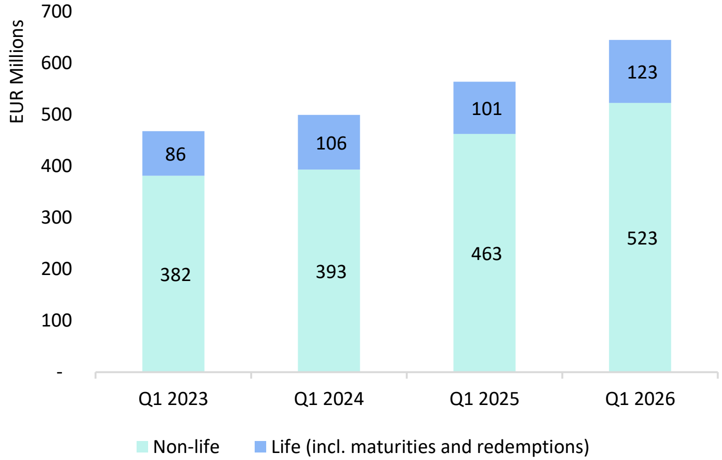
MTPL gross written premiums**



Investment structure of insurance companies



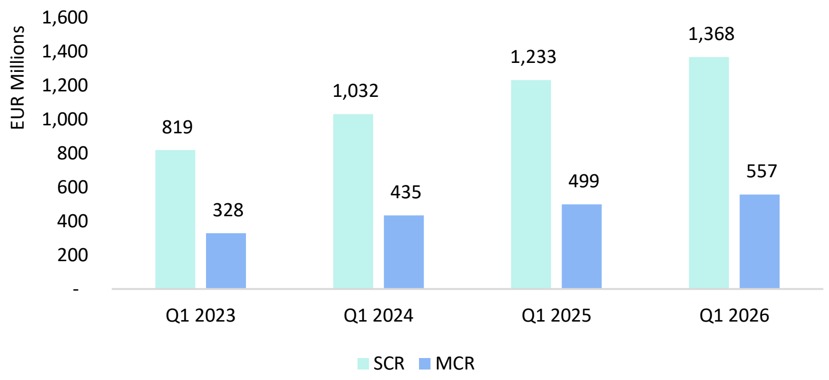
Gross claims paid*



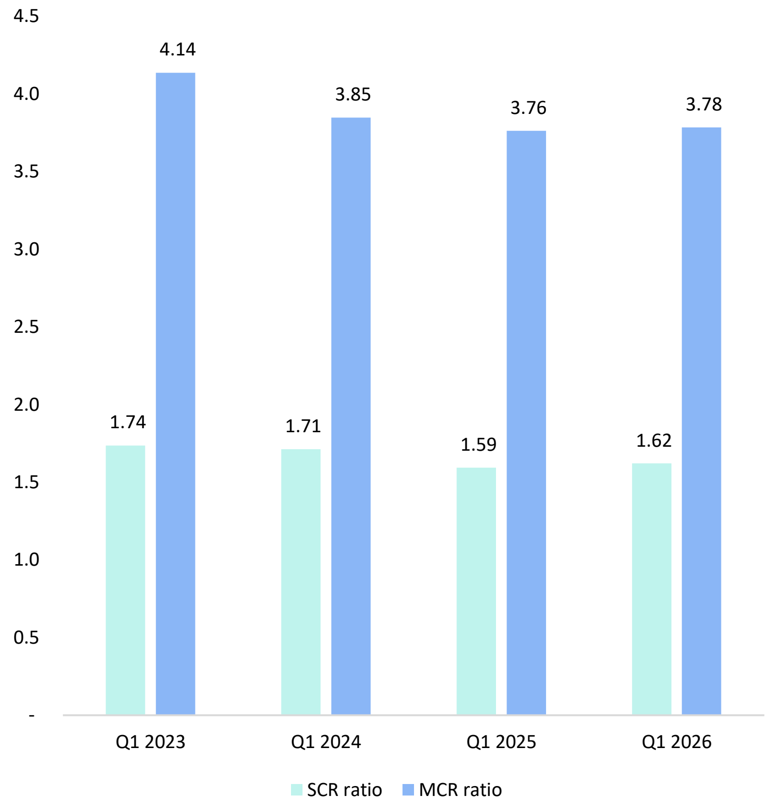
Source: ASF (Solvency II solo reporting, incl. assets held for unit-linked), *incl. FoE; **incl. FoE and FoS

Specific developments in the insurance market in Romania

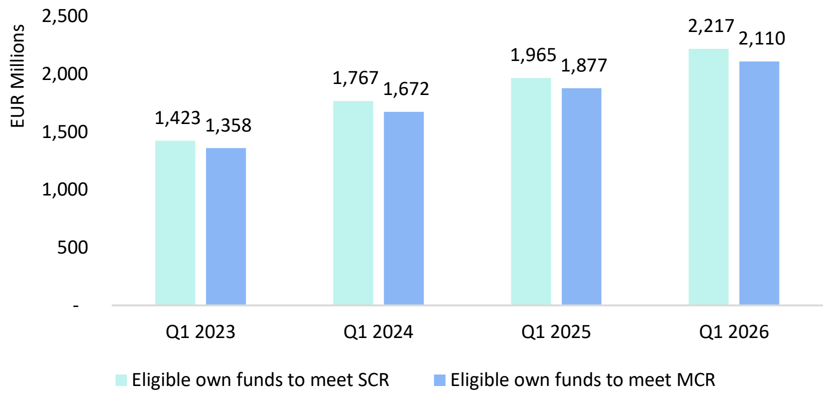
Evolution of capital requirements (SCR and MCR)



SCR and MCR ratio



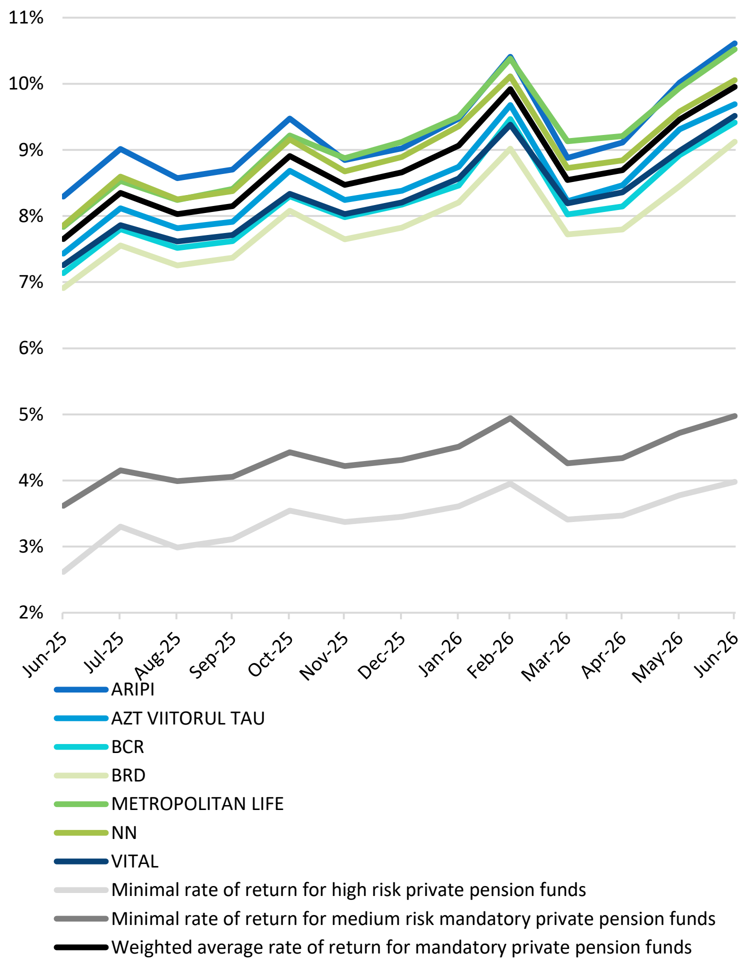
Total eligible own funds to meet the SCR and total eligible own funds to meet the MCR



Source: ASF

Specific developments in the mandatory private pension funds sector (2nd Pillar):

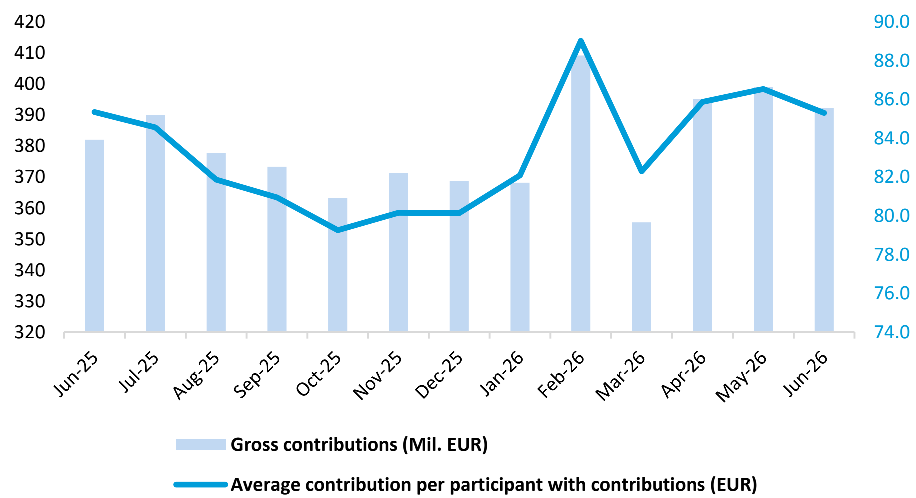
Rate of return for mandatory pension funds



Total assets (EUR), number of participants and return rates **30-Jun-26**

Mandatory pension fund	Total Assets (EUR)	Participants (persons)	Annualized 60 months return rate
ARIPI	4,346,423,583	931,536	10.6117%
AZT VIITORUL TAU	9,397,858,299	1,725,057	9.6911%
BCR	3,384,189,281	841,791	9.4159%
BRD	2,129,143,978	628,189	9.1236%
METROPOLITAN LIFE	6,365,784,404	1,180,209	10.5214%
NN	15,007,355,563	2,145,904	10.0537%
VITAL	4,646,147,624	1,090,870	9.5150%
Total	**45,276,902,731**	**8,543,556**	

Evolution of gross contributions (EUR)



Source: ASF

Specific developments in the mandatory private pension funds sector (2nd Pillar):

Mandatory pensions funds' aggregate portfolio **30 June 2026**

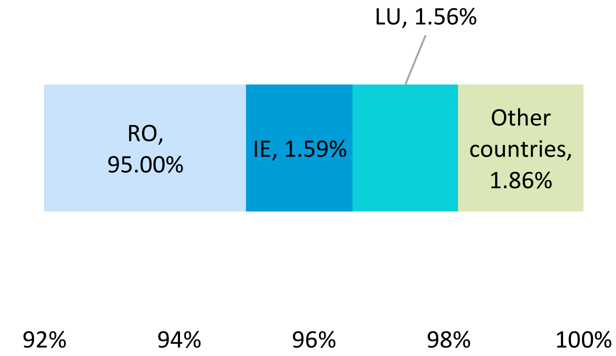
Assets categories	Assets value (EUR)	% of Total assets
Government bonds	28,741,857,968	63.5%
Equity	13,038,408,992	28.8%
Investment funds	1,477,466,984	3.3%
Corporate bonds	1,469,641,352	3.2%
Deposits	492,757,807	1.1%
Municipal bonds	98,628,013	0.2%
Private equity	39,678,155	0.1%
Exchange traded commodities	37,464,616	0.1%
Derivatives	(1,078,501)	0.0%
Other assets	(117,922,657)	-0.3%
Total	**45,276,902,731**	**100.0%**

The value of the total assets of the privately managed pension funds reached EUR 45.3 billion at the end of June 2026, with an annual increase of 35%, compared to June 2025.

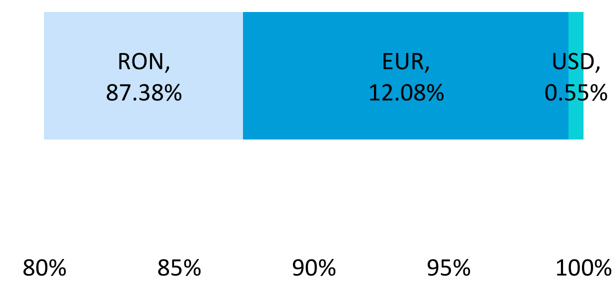
Approximately 95% of the assets were invested locally, the majority being denominated in RON. Most Romanian instruments are represented by government bonds and equities listed on the Bucharest Stock Exchange.

The value of gross contributions in June 2026 was EUR 392 millons, while the average contribution was EUR 85.

Country exposure



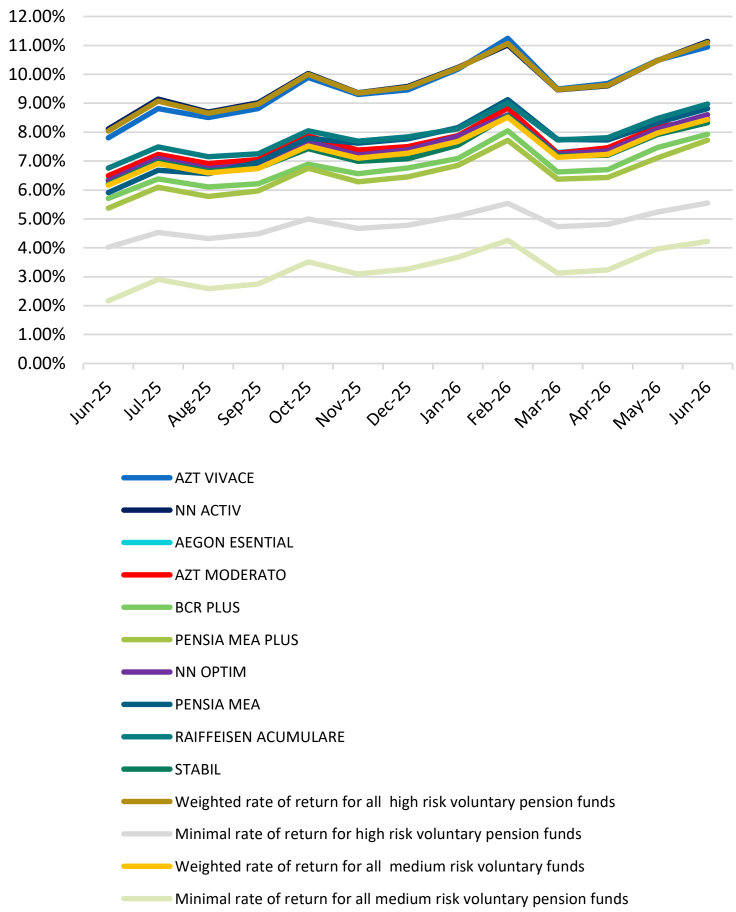
Currency exposure



Source: ASF

Specific developments in the voluntary private pension funds sector (3rd Pillar):

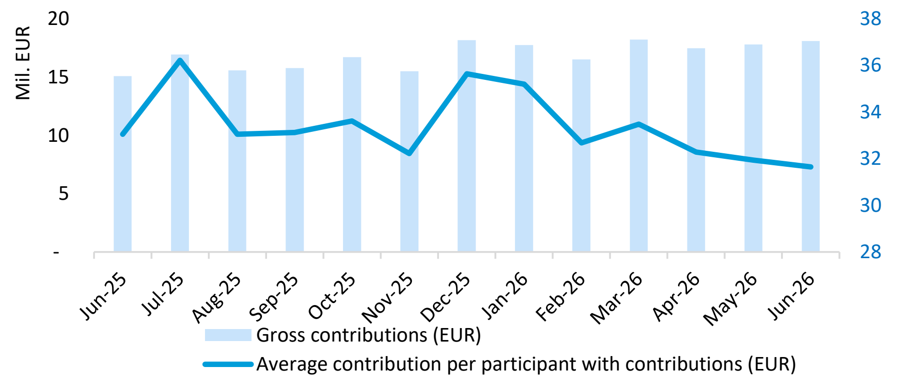
Rate of return for voluntary pension funds



Total assets (EUR), number of participants and return rates **30-Jun-26**

Voluntary pension fund	Total assets (EUR)	Participants (persons)	Annualized 60 months return rate
FPF AZT MODERATO	136,841,792	53,507	8.4555%
FPF AZT VIVACE	53,612,980	23,762	10.9487%
FPF BCR PLUS	231,173,064	185,476	7.9258%
FPF PENSIA MEA PLUS	66,978,346	45,057	7.7215%
FPF ESENȚIAL	6,238,335	7,914	8.4505%
FPF NN ACTIV	229,572,734	99,104	11.1376%
FPF NN OPTIM	710,280,353	304,920	8.6028%
FPF PENSIA MEA	119,170,565	220,856	8.8148%
FPF RAIFFEISEN ACUMULARE	105,215,310	151,112	8.9761%
FPF STABIL	14,709,199	6,266	8.3216%
Total	**1,673,792,678**	**1,097,974**	

Evolution of gross contributions (EUR)



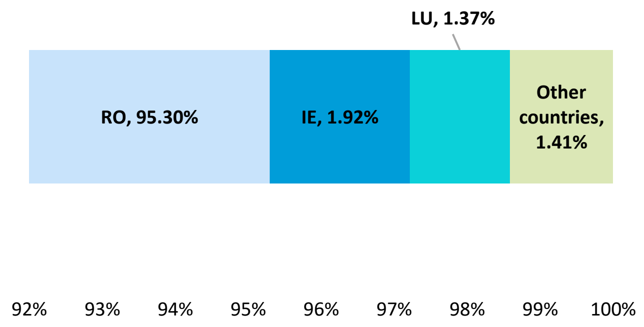
Source: ASF

Specific developments in the voluntary private pension funds sector (3rd Pillar):

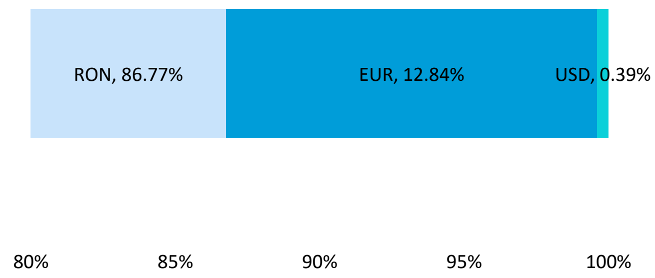
Voluntary pensions funds' aggregate portfolio **30 June 2026**

Assets categories	Assets value (EUR)	% of Total assets
Government bonds	1,034,642,288	61.8%
Equity	501,844,399	30.0%
Investment funds	52,893,233	3.2%
Corporate bonds	47,614,439	2.8%
Deposits	20,504,769	1.2%
Municipal bonds	12,026,274	0.7%
Private equity	3,301,692	0.2%
Exchange traded commodities	2,438,809	0.1%
Derivatives	14,848	0.0%
Other Assets	(1,488,073)	-0.1%
Total	**1,673,792,678**	**100.0%**

Country exposure



Currency exposure



At the end of June 2026, the voluntary pension funds’ total assets value was EUR 1.7 billions, with an annual increase of 36%, compared to June 2025.

The funds' portfolios were generally invested in local assets, in a percentage of 95%, the majority being denominated in RON (87%).

The value of gross contributions in June 2026 was EUR 18 millions, while the averge contribution was EUR 32.

Source: ASF

Press releases and publications of European financial institutions

ESMA

ESMA publishes technical standards on CCP admission criteria elements - 08.07.2026

ESMA launches Common Supervisory Action on CASPs' digital operational resilience for custody - 08.07.2026

Financial firms keep EU carbon markets moving - 09.07.2026

ESMA publishes first market capitalisation data for EU Member States - 10.07.2026

ESMA publishes report on cross-border investment services supervision - 20.07.2026

EIOPA

EIOPA's Financial Stability Report shows continued resilience in insurance amid geopolitical uncertainty and evolving structural risks - 24.06.2026

ESRB / CERS

Frontier AI models could strain cyber resilience in the financial system, ESRB warns (warning of 25 June 2026, supported by the ESAs) - 07.07.2026

AUTORITATEA DE SUPRAVEGHERE FINANCIARĂ

The report reflects the latest available statistical data, some of which are provisional and will be revised in future editions.

The frequency with which information in tables and graphs is updated is highest for stock market indicators, macroeconomic indicators and investment and pension fund indicators, with most updates occurring monthly, while insurance market indicators are usually updated quarterly.